



# Health Services

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February 16, 2007

Leslie Norwalk, Acting Administrator  
Centers for Medicare and Medicaid Services (CMS)  
200 Independence Ave, SW  
Washington, DC 20201

Dear Ms. Norwalk:

I am writing on behalf of the County of Los Angeles to request an extension of the Medicare Provider Agreement of the Los Angeles County Martin Luther King Hospital (Provider Number 05-0578). CMS, the California State Department of Health Services (State DHS) and the County of Los Angeles have been engaged in a cooperative, challenging and productive effort to preserve much needed hospital services in South Los Angeles. The MetroCare plan, as approved by our Board of Supervisors, has been implemented successfully to date. Every element to date in our far reaching and dramatic restructuring plan submitted with our original extension request of October 13, 2006, which CMS approved, has been achieved. To fully complete the transition of this hospital, I am requesting an extension until August 15, 2007. Prior to the expiration of that extension date, the hospital will request and be prepared for a CMS Conditions of Participation survey. With the continued support from CMS and State DHS, services will be preserved, quality of care will be maintained at the national standards expected of any CMS-certified facility, and the community will be well served.

At the heart of the MetroCare plan is the fundamental restructuring of the former King Drew Medical Center (KDMC) into a simpler, more clinically focused non-teaching hospital under the regional leadership of Harbor-UCLA Medical Center (Harbor). This new organization, Martin Luther King Jr. – Harbor Hospital (MLK-Harbor), is a non-teaching hospital that provides a full-service emergency room, basic inpatient medical and surgical services, as well as low-risk obstetrics. This restructuring required the significant downsizing of the breadth of clinical services at KDMC and a corresponding increase in services predominately at Harbor-UCLA Medical Center but also at other hospitals, both public and private. The Department of Health Services committed to and has successfully meet a very aggressive set of timelines as outlined in the MetroCare plan, and as demonstrated by our achievements thus far.

Major milestones over the past four months are:

- 1) Implementation of a Community Hospital Clinical Program at new MLK-Harbor with a corresponding transition of services to other facilities. This work involved moving inpatient Pediatrics, Neonatal ICU, Pediatrics ICU, High-Risk Obstetrics and most surgical subspecialties to Harbor.

Many of these services were moved on December 1, 2006. As part of this work, all KDMC staff in these areas were interviewed, and those accepted for transfer to Harbor were formally trained to work at Harbor to serve these patients.

LAC+USC Medical Center assumed responsibility for the former KDMC inpatient Psychiatry units in the separate Augustus Hawkins Psychiatric building. Again, as part of this work, all KDMC staff in these areas were interviewed, and those accepted for transfer to LAC+USC were formally oriented and trained as to LAC+USC policies and procedures. LAC+USC physician and clinical staff is responsible for clinical coverage in Psychiatry. On December 1, 2006, the psychiatric emergency room was closed and the hospital relinquished its designation to accept patients on psychiatric holds.

As we finalize our basic hospital inpatient footprint of 48 beds (12 adult ICU, 30 regular Medical/Surgical, and 6 low-risk Obstetrics), our other CMS certified and JCAHO accredited County hospitals are taking on additional inpatient service responsibilities. Rancho Los Amigos opened three Medical/Surgical units with a total of 75 beds to take patients from the downsized KDMC. We also contracted with three of the leading private hospitals in Southern California (within a 12-mile radius of KDMC) to provide ICU and Medical/Surgical capacity. The use of this bed capacity helps assure that there is no net loss of access to the vast community which is served by MLK and one other hospital. As of February 28, 2007, the downsizing of the former KDMC will have been completed and the new MLK-Harbor scope of services will be in place.

- 2) Formally interviewing and re-assigning all current employees at KDMC either to the new MLK-Harbor Hospital or to other facilities within the County. Harbor nursing, physician and support management staff interviewed more than 1,500 staff at KDMC with competent or better performance evaluation to determine which employees best fit the staffing plan for the new scope of services at MLK-Harbor hospital. The result of those interviews has been the reassignment to other County facilities of more than 390 full-time non-physician staff from KDMC effective February 20, 2007 with approximately 1,250 remaining at MLK-Harbor and the outpatient clinics. Harbor staff is finalizing the interviews and selection of the physicians who meet the needs of the new MLK-Harbor and the staff who do not will also be reassigned. Furthermore, 260 employees who were not available for interviews due to long-term leaves will be reassigned to other facilities upon their return.
- 3) Replacing the academic model of service delivery with high quality physicians consistent with the finest private hospitals in California. As of December 1, 2006, all 250 resident physicians who provided much of the patient care at KDMC were reassigned outside of the hospital. The new MLK-Harbor hospital is no longer a teaching facility. To replace the resident physicians, the Department, with full support of the Board of Supervisors, conducted a rigorous Request For Information (RFI) process, interviewed qualified physician contract firms, and selected two of the leading firms to staff the hospital Emergency Department and

to provide Intensivist/Hospitalist staffing for the ICU's and Medical/Surgical floors. These RFIs, interviews/selection, and contracting were completed in a one-month period and the new contractors had their staff on site serving patients as the residents signed out on December 1<sup>st</sup>. During all of this transition, as we committed, the facility has operated its full Emergency Department and Urgent Care Clinic, providing the same service capacity and serving about the same number of patients as before the CMS survey. Our outpatient clinics continue to serve the same number of patients as before the CMS survey.

These are extraordinary steps in four months. None of this would have been possible without the extension granted by CMS, which continued the Medicaid funding to help the County carry out its work.

In order to regularly communicate with CMS and State DHS, and to provide assurance that the MetroCare plan was being executed as agreed to, John Cochran, the Department's Chief Deputy and myself hold weekly conference calls with Jeff Flick, Steve Chickering and their key staff along with Kathy Billingsley and the key State Licensing staff.

We are now asking that CMS, State DHS, and the County be allowed to continue this unprecedented project that is preserving this vital health facility in South Los Angeles. As you can tell from the above, and the two attached progress reports that have been provided to our Board, CMS Region IX, and State DHS, everything we set out to do has been accomplished. However, we have a lot of work left to do. Every person who was interviewed and selected for the new MLK-Harbor in a clinical position will be trained in new procedures developed by our Metrocare/Harbor staff. Every clinical policy and procedure that was in place for the previous KDMC hospital must be reviewed and, as necessary, revised to reflect the new care delivery systems and, where appropriate approved through the medical staff. The medical staff bylaws and rules and regulations must be changed to reflect the new clinical structure and the elimination of all teaching programs and these revisions must be approved by the medical staff and the Board of Supervisors.

As you know, the Conditions of Participation survey not only examines the care being provided, it also looks at whether the providers are knowledgeable of and follow the hospital's policies and procedures and that these are reflected in the care being provided. All of this is the work requires an extension of time.

We appreciate CMS' vote of confidence in the MetroCare plan, and the monitoring and support from its regional staff and the State DHS, which have gotten us to the point where the new MLK-Harbor can complete its work and soon rejoin the family of CMS certified hospitals that meet patient care needs. Furthermore, we appreciate all of the support and efforts that CMS has provided to allow us to move so far along our restructuring path and towards our goal of retaining our CMS contract upon successful completion of a CMS survey, and we ask for your positive response to our request for this final extension to finalize this incredible transformation.

Leslie Norwalk  
February 16, 2007  
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I and my key staff are available to meet with you or your staff at CMS to discuss our request, and to answer any questions or concerns. It is in the hospital's and community's best interest to have this extension request approved as soon as possible, preferably well before the March 31, 2007 expiration of the current provider agreement. We look forward to hearing from you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Chasnoff", written over the printed name.

Bruce A. Chasnoff, M.D.  
Director and Chief Medical Officer

BAC:rs

Attachments

c: Board of Supervisors